



**DEPARTMENT OF INSURANCE
STATE OF ARIZONA**

Financial Affairs Division – Tax Unit
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**ATTENTION: TAX REPORT PREPARER - INSTRUCTIONS APPLICABLE TO THE FOLLOWING TYPES OF
DOMESTIC, FOREIGN AND ALIEN INSURERS**

LIFE & DISABILITY INSURER*	PROPERTY & CASUALTY INSURER*	MORTGAGE GUARANTY INSURER	PREPAID LEGAL INSURER	RISK RETENTION GROUP
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* Includes Insurers (other than HCSO, Service Corporation or Prepaid Dental Plan Organization) filing the Health Annual Statement

SUMMARY OF 2005 ANNUAL PREMIUM TAX AND FEES REPORTS CHANGES:

- 1) ACH PAYMENT OPTION – See Form E-ACH.INSTRUCTION for the required format and content to pay total Annual Tax and Fees due March 1 by ACH delivery.
- 2) There are no Guaranty Fund Tax Offsets available for Calendar Year 2005 therefore, Form SCH-APTO is not required to be filed.
- 3) Form E-AHP has been expanded to require additional information and required detail format has changed.

APPLICABLE FORMS AND INSTRUCTIONS

FORM NAME	DESCRIPTION
E-ACH.INSTRUCTION	ACH Delivery Format and Content Instructions
E-AHP	Exempt Accountable Health Plan Small Group Premium Schedule (Applicable to Approved Accountable Health Plans ONLY) (Fillable)
E-ANNUALTAX	Annual Premium Tax and Fees Report (Fillable)
E-AZ AGENTS	Arizona Agent Listing (Applicable to specific Foreign Insurers ONLY) (Fillable)
E-INSTALLMENT TAX	Installment Tax Report (Fillable)
E-SURVEY	Survey of Arizona Domestic Insurers (Applicable to Domestic Insurers ONLY) (Fillable)
E-SURVEY. INSTRUCTION	Survey of Arizona Domestic Insurers – Instructions (Applicable to Domestic Insurers ONLY)
E-ZONE	Enterprise Zone Credit (If applicable, CALL Tax Unit for form)
E-ZONE. INSTRUCTION	Enterprise Zone Credit Instructions (If applicable, CALL Tax Unit for form)
M-ZONE	Military Reuse Zone Credit (If applicable, CALL Tax Unit for form)
M-ZONE. INSTRUCTION	Military Reuse Zone Credit Instructions (If applicable, CALL Tax Unit for form)
SCH-AFP	Arizona Fire Premiums Schedule (Applicable to Property/Casualty Insurers ONLY) (Fillable)
SCH-AVP	Arizona Vehicle Premiums Schedule (Applicable to Property/Casualty Insurers and Risk Retention Groups ONLY) (Fillable)
SCH-RT	Retaliatory Taxes and Fees Worksheet (Not applicable to Domestic Insurers) (Fillable)

Continue to Page 2 for filing instructions

STATE OF ARIZONA – ANNUAL PREMIUM TAX AND FEES REPORT FILING INSTRUCTIONS (continued)

ANNUAL TAX REPORT AND REMITTANCE A.R.S. § 20-224

You must file an Annual Premium Tax and Fees Report Form E-ANNUALTAX - EVEN IF NO TAX IS DUE - with one payment for Premium Tax, Retaliatory Tax AND/OR Annual Fees due. Send separate checks or ACH Deliveries for Annual Tax and Installment Tax payments.

PAYMENT OPTIONS

1. ACH DELIVERY IN ACCORDANCE WITH THE FORMAT AND CONTENT PRESCRIBED IN FORM E-ACH.INSTRUCTION
2. CHECK PAYABLE TO ARIZONA DEPARTMENT OF INSURANCE. A check must be sent WITH the Annual Tax and Fees Report.

2006 INSTALLMENT TAX REPORTS AND PAYMENTS

In 2006, SIX installment Tax payments are required to be paid on or before the 15th day of March, April, May, June, July and August by any insurer who paid, or was required to pay 2005 Arizona premium tax of **\$2,000 or more pursuant to A.R.S. 20-224(E)**. The net annual tax liability has been identified in the 2005 Annual Tax and Fees Report with the phrase "2006 Installment Tax Base" in parentheses, for easier determination of your Installment Tax liability. There are **no waivers or reductions** available for this tax payment requirement. Non-payment or underpayment(s) will result in tax, penalty and interest assessments(s) by this Department. Companies required to pay Installment Tax must file Form E-INSTALLMENT TAX.

FORM E-AHP – ACCOUNTABLE HEALTH PLAN SMALL GROUP PREMIUM SCHEDULE

Form E-AHP must be completed and attached to Form E-ANNUALTAX **only** if the Insurer is an approved "Accountable Health Plan" ("AHP") that issued "Health Benefits Plans" to "Small Employers," pursuant to the definitions prescribed in A.R.S. § 20-2301, to support the claimed amount of exempt premiums. The Insurer must also provide the required "Accountable Health Plan Activity" information on Page 2 of Form E-ANNUALTAX.

RETALIATION - A.R.S. § 20-230

All fees and taxes are retaliated in the aggregate pursuant to the retaliatory law of the Arizona Insurance Code.

2005 ARIZONA AGENT LISTING FORM E-AZ AGENTS

ONLY a Foreign or Alien Insurer whose domiciliary state (or Port Of Entry state, if Alien) **requires ARIZONA INSURERS** to pay fees for the license, OR the appointment OR the termination of their agents in that state should complete Form E-AZ AGENTS, **which must be attached to Form SCH-RT**. Complete only those columns that apply. For example, if your state of domicile requires insurers to pay fees for appointments only, just complete that column. **CONSULT YOUR DOMICILIARY STATE LAWS TO DETERMINE IF THIS REPORTING REQUIREMENT APPLIES TO YOUR COMPANY.**

ARIZONA GUARANTY FUND ASSESSMENT PREMIUM TAX OFFSETS - A.R.S. §§ 20-674 and 20-692

There are no Arizona Guaranty Fund offsets available for Calendar Year 2005 therefore, **Schedule APTO is not required** to be filed.

ANNUAL PREMIUM TAX REFUNDS

This Department will refund premium tax overpayments resulting from 2005 Installment Taxes paid in excess of the 2005 Annual Tax liability without interest and **WITHIN 90 DAYS** from the due date of your annual tax report. **DO NOT OFFSET** Annual Fees or Retaliatory Taxes due for any portion of a premium tax overpayment. Such an offset **WILL** result in a statutory penalty of up to \$25 per day for non-payment of Annual Fees and/or taxes due.

DUE DATE

ANNUAL TAX AND FEES REPORTS ARE DUE ON OR BEFORE MARCH 1ST. IF MARCH 1 FALLS ON A SATURDAY OR SUNDAY, THE DEADLINE WILL BE EXTENDED TO THE FOLLOWING MONDAY FOR THAT YEAR ONLY. STATUTORY PENALTIES FOR LATE FILING AND/OR PAYMENTS WILL BE ENFORCED.

PLEASE NOTE OUR "POSTMARK POLICY" APPLICABLE TO STATUTORY FILINGS, AS IT IS ENFORCED BY THIS DEPARTMENT: To be considered a **TIMELY** filing, the package containing the filing must display validation by the United States Postal Service* as proof of the date of filing. Courier deliveries must include an invoice bearing the date of courier pick-up. If your package does not provide evidence of a timely filing it will be considered filed **WHEN RECEIVED** and statutory penalties, where applicable, will be assessed. *Postage meter stamps do not qualify.

IMPORTANT - DUE TO CASH CONTROL PROCEDURES DO NOT MAIL ANNUAL TAX OR INSTALLMENT TAX REPORT FORM(S) OR PAYMENT(S) INSIDE ANNUAL STATEMENT PACKAGES. YOU MUST MAIL ALL TAX FORMS AND PAYMENTS TO THE ATTENTION OF THE TAX UNIT AT ADDRESS LISTED ON THE TAX REPORT FORM.